

Citizens Financial Corp.

and Subsidiaries

Code of Conduct and Ethics

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Citizens Financial Corp.
and Subsidiaries
Code of Conduct and Ethics

Introduction

This Code of Conduct and Ethics (“this Code”) describes some of the responsibilities of the officers, directors and employees of Citizens Financial Corp. (“the Company”) and its subsidiary Citizens National Bank (“the Bank”) and is designed to promote honest and ethical conduct, full, fair, accurate and timely disclosure and compliance with applicable governmental rules and regulations.

Although some sections of this policy may deal with specific areas within the Company or the Bank, such as bank operations, or financial reporting, the ethical principles it establishes are intended to apply to all individuals associated with either Citizens Financial Corp. or its subsidiary. Consequently, references made in this policy to the Company may be applied to the Bank unless otherwise stated. Similarly, references to employee may be applied to employees, officers, directors, agents and attorneys unless otherwise stated.

Therefore, in order to define the standards of appropriate conduct, the Board of Directors of Citizens Financial Corp., Elkins, West Virginia, at a meeting held on the 7th day of August, 2007, approved this, a revised and restated policy which was originally adopted on the 27th day of January 1987, and this said policy shall be reviewed and approved annually by the Board of Directors. While all employees are expected to adhere to this policy, it is recognized that there may be exceptions. However, they should be recognized as such, thereby requiring approval as detailed hereinafter.

I. Personal Conduct

General

Company employees should always be mindful of the Company's position and reputation in the community. Since the success of any Company depends on public trust, it is extremely important that employees conduct their personal affairs in such a way as to avoid discredit or embarrassment to themselves or to the Company. Personal behavior and appearance should, likewise, be governed by both common sense and good taste. Employees are expected to provide complete and truthful information in any aspect of their dealings with the Company.

While conducting Company business or representing the Company, employees are expected to conduct themselves in a nondiscriminatory manner with customers, vendors, employees, and the general public. The Company's policy prohibits discriminatory conduct due to race, age, color, religion, national origin, sex, veteran status, disability, or any other basis protected by federal, state, or local law. Discriminatory behavior not only is illegal, but it also diminishes good customer, vendor, and employee relations, all of which are essential to the success of the Company.

Company employees may not illegally use, possess or sell prescription or illegal drugs on Company property, nor work under the influence of such substances. However, the prescribed use and possession of legally obtained drugs is not prohibited.

Financial Responsibility

Company employees are expected to demonstrate an ability to manage their personal finances properly, particularly the intelligent use of credit. Imprudent personal financial management can affect job performance and reflects poorly on the ability to perform responsibilities of a financial nature. The Company reserves the right to periodically examine employee credit reports. In the case of directors and executive officers, the Company will not pay an overdraft on accounts of directors or executive officers at the bank, unless the payment of funds is made in accordance with (1) a written, pre-authorized, interest-bearing extension of a credit plan that specifies a method of repayment or (2) a written, pre-authorized transfer of

funds from another account of the account holder of the bank as prescribed by Regulation O. This prohibition does not apply to payment of inadvertent overdrafts on the account in an aggregate amount of \$1,000 or less, provided (1) the account is not overdrawn for more than five business days, and (2) the Bank charges the executive officer or director the same fee charged any other customer in similar circumstances.

Personal Investments

Company employees, by the very nature of their positions, must be particularly circumspect regarding investments that may appear improper to customers, supervisory authorities or the public.

Employees should avoid entering into transactions where it may appear that they would benefit improperly from their relationship with the Company or violate their fiduciary responsibilities. This also applies to investments by members of an employee's immediate family.

While a complete list of such matters is not practicable, Company employees should refrain from directly or indirectly owning or purchasing any of the following:

1. Real or personal property in which the Company intends to obtain ownership interest (i.e., through purchase, foreclosure or repossession, or in a fiduciary capacity) unless such assets are being offered by the Company at public sale or public auction.
2. Stocks, bonds or other securities, other than those which are publicly traded which are:
 - A. Pledged to the Company as collateral.
 - B. Sold by the Company in a fiduciary capacity.
 - C. Issued by an entity indebted to the Company.

3. Stock of any business or financial institution in anticipation of its merger with or acquisition by the Company. Investment in stock of any financial institution, even though made in good faith and without prior insider knowledge, should be given careful consideration because of the possible adverse publicity to the Company in the event of a subsequent merger with, or acquisition by the Company.
4. Trust deeds, mortgages or chattel mortgages that are a lien against property in which the Company has a security interest.
5. An interest in a company for which a Company employee is an officer or in which an employee has access to information which is not generally available to the public.

Exceptions involving such transactions require the prior approval of the Executive Committee.

II. Conflicts of Interest

General

It is the policy of the Company that employees must avoid potential conflicts of interest. A potential conflict exists whenever an employee of the Company has an outside interest - direct or indirect - which conflicts with their duty to the Company or adversely affects their judgment in the discharge of their responsibilities to the Company. The appearance of a conflict of interest may be just as damaging to the Company's reputation as a real conflict of interest and is just as difficult for the individuals involved to discern. Employees are expected to take an objective look at their actions from time to time and inquire whether or not a reasonable, disinterested observer - a customer, a supplier, a shareholder, an acquaintance, or a government official - would have any grounds to believe:

1. The confidential nature of account relationships has been breached.
2. Fiduciary responsibilities have been handled in a less than prudent manner.

3. Business has been completed with the Company only on the basis of friendships, family ties, gift receiving or giving, or to curry favor with special interest groups.
4. The Company's name is used as leverage by Company employees to enhance their own opportunities when dealing with others in their political, investment, or retail purchasing activities.
5. The needs of the shareholders and public are not considered in making business decisions.
6. Corporate assets have been misused.

In the event a potential conflict of interest does arise involving a Company employee, its nature and extent should be fully disclosed immediately to the Executive Committee who, after making a thorough review of the circumstances, will determine appropriate action to be taken without recourse to the individual.

Self-Dealing

No employee shall engage in transactions with the Company in which such employee has a duty to protect the Company interests therein and has simultaneous opportunity to realize a personal gain or benefit therefrom unless such transaction is approved by the Executive Committee. The complexity of modern business and banking transactions is such that an absolute prohibition is not feasible, but the policy of the Company is to discourage self-dealing generally and to prohibit those transactions which, after a careful examination, appear to be objectionable either in substance or appearance.

Employees and their immediate families, whether acting individually or in a fiduciary capacity, are not permitted to sell assets to or purchase assets from the Company or any estate or trust being administered by the Company without prior consent of the Executive Committee unless such assets are being offered by the Company at public sale or public auction, or the purchase or sale has been approved by a court having jurisdiction.

An employee must not take for themselves an opportunity which belongs to the Company. For example, if the Company has been seeking a particular business opportunity, or the opportunity has been offered to it, or the Company's funds, facilities, or personnel have been used in developing the opportunity, the opportunity rightfully belongs to the Company and not to those who may be in a position to divert the opportunity to themselves or others.

Outside Employment

Employees are expected to devote full-time attention and energy to the Company. Significant outside employment or employment in positions or establishments that may result in adverse public reaction must be avoided. Employees must obtain the prior written consent of the Executive Committee before accepting any outside employment. No outside employment will be approved which might subject the Company to criticism or which would encroach upon working time, interfere with regular duties, or necessitate such long hours as to affect the employees' working effectiveness, conflict with the Company's interest, or otherwise diminish the ability of the employee to render the Company his or her full, loyal and undivided service.

Company employees may not have outside employment that involves or may appear to involve a conflict of interest and shall not own, directly or indirectly, any interest in any other business if such ownership would tend to adversely influence any decision of said employee on behalf of the Company. Ownership of the spouse of an employee shall be deemed to be an indirect ownership of the employee. Examples of prohibited outside employment include, but are not limited to:

1. Employment by a company or personally engaging in any activity that is competitive with the Company.
2. Employment that involves the use of the Company's equipment, supplies or facilities.
3. Employment that involves the preparation, audit, or certification of statements, tax returns, or other documents upon which the Company may place reliance for lending or other

purposes. Employees preparing income tax returns of individuals or entities other than themselves must obtain confirmation from the potential client that the client does not intend to use the work product as part of any transaction with the Company.

4. Employment that involves the rendering of investment, legal, or other advice, or exercising judgment that is based upon information, reports, or analyses that are accessible primarily from or through employment with the Company.
5. Employment that may reflect adversely on an employee or on the Company.
6. Employment under circumstances that may suggest the sponsorship or support of the Company on behalf of the outside employer or an outside organization.
7. Employment as an insurance or securities broker, agent, or representative.
8. Employment as a real estate contractor, salesman, broker, or agent.
9. Employment which involves providing a service which the Company itself could provide.

Outside Directorships

The Company recognizes the value of having its employees serve as directors of other corporations and has no policy against such directorships where the circumstances are appropriate and no real or apparent conflict of interest is involved. However, the acceptance of an outside directorship shall be selective and based upon the careful exercise of judgment. If there should be any questions as to the propriety of serving as director of any corporation, the matter shall be referred to the Executive Committee for its consideration. The Company also recognizes the benefits of active participation by its employees in charitable and nonprofit organizations. Service as a trustee, director, or officer of a nonprofit religious, charitable, civic or health and welfare organization is recognized as worthwhile community involvement and does not constitute a conflict of interest, even if the organization is a customer of the Company.

Bequests Legacies and Fiduciary Appointments

Employees must not accept an appointment as a personal representative of any decedent or act in any other fiduciary capacity nor accept bequests, legacies or devises under wills except when the testator or donor is a relative or close friend of the employee. In such instances, the prospective appointment, the imminence of a gift, or the likelihood of bequest, legacy or devise should be reported in writing to the Executive Committee together with the pertinent facts relating thereto.

Gifts and Business Entertainment

No employee of the Company shall solicit, accept, or agree to accept anything of value for the benefit of any person from anyone doing or seeking to do business with the Company, including borrowing money, purchasing property, or furnishing property or services to the Company, except as expressly permitted by this section.

The purpose of business entertainment and gifts in a commercial setting is to create good will and sound working relationships, not to gain unfair advantage with customers. No such gift, entertainment, or payment should be offered, given, provided, or accepted by any employee or family member of an employee, unless it (1) is not a cash gift, (2) is consistent with customary business practices, (3) is valued at \$100 or less, (4) cannot be construed as a bribe or payoff, and (5) does not violate any laws or regulations. Further, employees shall not accept any gifts in return for making or renewing a loan, providing fiduciary services, or providing any other type of Company service.

Possible exceptions to the general prohibition regarding the acceptance of things of value may include:

1. Acceptance of meals, refreshments, travel arrangements, accommodations, or entertainment, all of reasonable value, in the regular course of a meeting or other occasion, the purpose of which is to hold bona fida business discussions or to foster better business relationships; provided that any such expenses would have been a legitimate business expense paid by the

Company if not paid by another party.

2. Acceptance of advertising or promotional material of nominal value, such as pens, pencils, note pads, key chains, calendars, and similar items.
3. Instances where refusal or return of the gift is impractical.

Conflicts between customers

The Company cannot control or prevent conflicts between its customers. However, the Company's policy is to maintain an awareness, to the extent practicable, of known conflicts between customers and of the inherent dangers of participating therein.

If an employee knows of or suspects the existence of a conflict between customers involving matters of which the Company or any of its employees have knowledge, special care shall be taken to preserve confidential information pertaining to each customer in order that no customer shall be harmed by the Company with any information that could be used adversely against another customer. In all cases it shall be the Company's policy to remain neutral with respect to any such conflict.

III. Confidential Information

General

During the course of performing Company-related duties, employees may hear or acquire confidential information about the Company, present and prospective customers, suppliers, shareholders and other staff members. That information must be held in the strictest of confidence during the term of the individual's employment and after termination for any reason. It is to be used solely for corporate purposes and never for personal gain. Under no circumstances should such information be transmitted to persons outside the Company, including family or associates, or to other individuals of the Company.

Protecting customer information

Confidential information acquired about customers is to be used solely for Company purposes and not as a basis for furthering a private interest or as a means of making a profit. No employee shall disclose confidential information of one customer to another customer unless specifically authorized to do so, nor may any employee disclose confidential information to any other outside party unless necessary for operations (such as data processing, auditors or legal counsel) and as prescribed by law.

When a customer gives the Company as a credit reference, that customer has authorized the Company to release credit information. Financial institutions share credit information with each other to support credit decisions based on assurances that confidentiality will be protected and that the information is accurate. In order to protect the customer's right to privacy and the need for creditors to share credit experience, extreme care must be exercised when exchanging information.

Information about customers can be released only when authorized by the customer or subpoenaed by a court or by the Internal Revenue Service and then the information released must be accurate and restricted to the letter of the authorizing document.

Confidential information about customers can reflect favorably or adversely on the investment value of any business is insider information. Such information, if used or disclosed, could subject the employee, or the Company, and a person outside the Company to whom the information is communicated, to liability under federal and state securities laws. The courts have ruled that anyone in possession of material insider information must either disclose it to the investing public or, if he or she cannot disclose it because of a corporate confidence, refrain from trading in or recommending the purchase or sale of the securities concerned until the information is properly disclosed. The foregoing restrictions shall apply to the reports and statements prepared for use in the Company's business and not generally released.

All Company information must receive protection against unauthorized access, modification, destruction or disclosure. Employees must follow applicable policies and procedures and safeguard information in whatever form it exists (i.e., electronic or hard copy). Deliberate or willful violations of existing policies for protecting Company information or negligent failure to protect Company information properly may result in disciplinary actions.

Information regarding matters brought before the Company's Board of Directors or information on the Company's business strategy are to be kept confidential and not discussed with anyone unless it is required in the course of performing Company business or a third party requires it in the course of performing approved services for the Company.

Disclosure of Corporate News and Information

Financial information about the Company is not to be disclosed to anyone unless it has been included in a published report or otherwise made generally available to the public. Questions from the Company's external auditors, internal auditors, the Company's attorneys, or representatives of regulatory authorities, however, shall be answered confidentially and accurately. Any questions concerning the disclosure of confidential information should be addressed to the President/Chief Executive Officer.

It is important that all communications with the public and the media about the Company be made only through an appropriately designated officer under carefully controlled circumstances. All media inquiries regarding the Company must be referred to the President/Chief Executive Officer. Information about any customer of the Company is never to be discussed with the media or in any other public forum.

Insider Trading in Securities

If an employee is aware of material information relating to the Company that has not been available to the public for at least two full days (often called "inside information"), that employee is prohibited from trading in stock of the Company, directly or indirectly, and from disclosing

such information to any other person. Any information, positive or negative, is “material” if it might be of significance to an investor in determining whether to purchase, sell, or hold stock of the Company. Information may be significant for this purpose even if it would not alone determine the investor’s decision. Examples include a potential business acquisition, internal information about revenues, earnings, or other aspects of financial performance which departs in any way from what the market would expect based upon prior disclosures, important business developments, the acquisition or loss of a major customer, or an important transaction.

All employees are restricted from either buying or selling stock of the Company from the beginning of the first day of each month after a quarter end until two full trading days have elapsed after earnings are released (typically the second or third week). Additionally, from time to time, employees may receive an e-mail from the Chief Financial Officer or another executive officer stating that no employee may buy or sell stock of the Company until further notice. This usually means that a public announcement is forthcoming and employees will be further advised by e-mail when the restriction on trading is removed after two full trading days following the announcement.

Note that the limitations described above relating to material undisclosed information remain applicable in the period when trading is not restricted. The two prohibitions on trading apply independently.

The Company considers strict compliance with this Code to be a matter of utmost importance. Violation of this section of this Code could cause extreme embarrassment and possible legal liability to employees and the Company. Knowing or willful violations of this section will be cause for immediate termination of employment. Violation of this section might expose the violator to severe criminal penalties, as well as civil liability to any person injured by the violation.

Trading in stock of the Company may be prohibited at a particular time because of the existence of material non-public information. Employees purchasing stock of the Company must consider the inherent risk that a sale of the stock could be prohibited at a time they might wish to sell. The next opportunity to sell might not occur until after an extended period, during which the market price of the stock may decline.

Confidential Information About Past and Present Employees

The policy of the Company is to safeguard the confidential aspects of its relationship with its employees, to satisfy all requirements of applicable labor laws, and to maintain uniformity in replies to inquiries concerning past and present employees. In order to assure that this policy is consistently maintained, any inquiries relating to employment, salary verification, and performance evaluation regarding past or present employees must be referred to the Vice President of Human Resources. Also, it is a material violation of this policy to discuss individual compensation, performance review scores, or financial status with coworkers other than for the purpose of collective bargaining protected by the National Labor Relations Act.

The foregoing procedures apply to all requests, whether written or oral, regarding employment with the Company. They do not apply, however, to routine credit inquiries from legitimate businesses regarding deposit or loan information made at the request or due to the application of the employee or to reports to internal or external auditors, legal counsel, regulatory agencies or credit reporting agencies (subject to the Fair Credit Reporting Act and other applicable law). The latter may be answered in the normal course of business by the Vice President of Human Resources.

IV. Obeying Laws and Regulations

General

The Company and its employees may be subject to penalties if they violate any laws. It is, therefore, important that employees be familiar with the laws and regulations governing the line

of business in which they work and that they are careful to ensure that those laws and regulations are fully complied with. Compliance with laws and regulations is everyone's responsibility, and employees who knowingly commit illegal acts will be subjected to disciplinary action, which may include termination.

It is the responsibility of all employees to report all instances of known or suspected illegal activity on the part of any employee, agent or customer of the Company. If it is uncertain as to the propriety of an individual's actions, contact the Compliance Officer to obtain clarification. Employees must promptly notify the Compliance Officer if it is suspected that an employee, agent, or customer has committed an illegal act or the discovery of any circumstances that suggest that a crime has been committed. Failure to report suspected illegal activities properly as outlined in this policy may subject that employee to disciplinary action including, if appropriate, termination. The Company is required by law to report violations of criminal laws to state and/or federal law enforcement agencies.

Company policy prohibits any form of retaliatory action toward an employee who notifies the Company of a suspected illegal act or participates in the investigation of a complaint.

Dishonest or Fraudulent Acts

Dishonest and fraudulent acts by Company employees are crimes under federal and state law, and may be punishable by fines and/or imprisonment. Examples of activities prohibited by law include:

1. Accepting anything of value (except an individual's salary or other compensation paid or sanctioned by the Company) in connection with the business of the Company.
2. Stealing, embezzling, concealing or misapplying Company funds or assets.

3. Using threats, physical force or other unauthorized means to collect money.
4. Issuing unauthorized obligations (such as certificates of deposit, notes, mortgages or commitments) or making false entries.
5. Unless specifically permitted by law, making a loan or giving a gift to a regulator who has the authority to examine the Company.
6. Using a computer to gain unauthorized access to the records of a customer.
7. Loaning funds to, or depositing funds with, third parties with the understanding, express or implied, that the party receiving such funds will make a loan or pay any consideration to the employee.

Money Laundering Activities

Both federal and state law prohibits the laundering of money. Money is laundered to hide criminal activity associated with it, including the crimes by which it is generated (e.g., drug trafficking, tax avoidance, counterfeiting, etc.). Employees need to “know their customers” and be alert to the dangers to the Company should it, even unwillingly, become involved in receiving or laundering proceeds of crimes. Regulators require the Company to report any known or suspected criminal activity, such as the laundering of monetary instruments or structuring of transactions to avoid Bank Secrecy Act requirements. Employees should contact the Compliance Officer immediately in the event any known or suspected criminal activity or transaction comes to their attention.

V. Anti-Competitive Activities

Federal law prohibits any combination, conspiracy, or agreement among competitors to restrict or prevent competition. A violation of the law can occur through a formal or informal agreement between the Bank and a competitor to (i) fix prices, (ii) allocate markets, (iii) allocate customers, or (iv) refuse to deal with particular suppliers or customers.

When employees are in contact with the Company's competitors, they must avoid any agreement with them (or even circumstances that might give the appearance of such an agreement) relating to how the Company conducts or will conduct its business. Special care should be taken at social or professional gatherings and at trade association meetings. Discussions or exchanges of information relating to competitive matters (e.g., cost, pricing, or strategy) must be carefully avoided.

VI. Employee Activities

Political Activities

The Company believes that it is appropriate for every citizen to take an active interest in political and governmental affairs. Employees are encouraged to keep themselves well informed concerning political issues and candidates, and, if practicable, take an active role in fostering better government. Employees should make it clear at all times, however, that participation in political activities is done as a private citizen and not as a representative of the Company.

The Company realizes that employees may want to offer themselves for elected or appointed public office. Such activity is encouraged provided the time requirements do not interfere with the staff member's job and if there is no conflict of interest. Prospective candidates should notify the Executive Committee of their plans in writing. The Executive Committee will then determine whether any possible conflicts exist.

Federal and state laws prohibit or restrict participation in certain political processes by the Company, including the use of its property, equipment, supplies and facilities. Therefore, the Company will make no contribution or expenditure, either directly or indirectly, to, or for the benefit of, use of, in support of, or in opposition to, any political party, candidate, political committee, or for any political purpose.

Similarly, under no circumstance may employees make any payment to any government official or other person or organization which might be construed to be improper, illegal, a bribe, a kickback, etc. If any transaction with a government official or other person or organization seems even remotely questionable, it must be referred to the Executive Committee to determine its propriety.

Advice to Customers

Employees may occasionally be asked by customers to make statements that relate to the legality of particular transactions. The Company does not practice law or provide legal advice. Accordingly, employees must exercise care in their discussions with customers. Nothing must be said that might be interpreted as the giving of legal advice.

Employees must avoid giving customers advice on tax matters, the preparation of tax returns, or investment matters, except as may be appropriate in the performance of a fiduciary responsibility or as otherwise required in the ordinary course of their duties.

During the course of their contact with customers and the general public, employees may occasionally be asked to recommend others who provide professional services. Typically, such requests involve attorneys, accountants, securities dealers, insurance agents, brokers, and real estate agents. If employees make such a recommendation, they should provide several qualified sources without indicating any preferences or warranty by the Company.

Any employee who makes investment recommendations or decisions for the accounts of customers or for the Company itself, who participates in the determination of such recommendations or decisions, or who, in connection with their duties, obtains information concerning which securities are being purchased or sold or recommended for such action, must report within ten days after the end of the calendar quarter, all transactions in securities made by them or on their behalf in which they have a beneficial interest. The

report shall identify the securities purchased or sold and indicate the dates of the transactions and whether the transactions were purchases or sales.

Speeches and Articles for Publication

Employees may not speak on behalf of the Company or discuss the Company's policies and procedures in articles, speeches, or presentations without the prior written consent of the Executive Committee. Although employees are encouraged to prepare articles and make presentations in their individual capacity, they must avoid any appearance that they represent the Company with respect to such articles or presentations.

Neither employees nor members of their immediate family may solicit honoraria for public speaking or writing services performed on behalf of the Company or by reason of the fact that they are an employee of the Company. Employees may not accept honoraria worth more than \$100 without the prior approval of the Executive Committee.

Solicitation and Distribution Activities

In order to minimize work interruptions and to maintain a businesslike environment, the Company restricts solicitation and distribution activities on its property. The display of any advertisement or promotion, the sale of any goods or services on the Company's property should be approved by the Executive Committee. Requests for donations to charities, selling raffle tickets for charities and the advertisement of civic and charitable events which are in keeping with locally accepted customs and norms are, however, permitted as they represent one way the Company supports its local communities, such support being vital to the success of the Company.

Protection and Proper Use of Bank Assets

All employees should protect the Company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the Company's profitability. All Company assets should be used only for legitimate business purposes.

VII. Director and Executive Officer Reporting

Certain reports must be submitted by directors, principal shareholders and executive officers of the Company on prescribed forms. A principal shareholder is defined as any individual or company (other than an insured bank or a foreign bank) that, directly or indirectly, owns, controls, or has the power to vote more than 10 percent of any class of voting securities of the Company. The term includes a person that controls a principal shareholder, that is, a person who controls a bank holding company. Principal officer, or executive officer, is defined as an individual, other than a director, who participates in major policy making functions of the Company, and includes the president/CEO of the holding company, the president/CEO of the bank, the executive vice president of the bank, the CFO of the bank, and the chief credit officer of the bank.

Each director or principal officer must complete and file a Statement of Interest of Directors and Principal Officers of National Banks on forms prescribed by the Comptroller of the Currency. Forms must be filed within 30 days after attaining such position within 30 days after the occurrence of any material change and immediately after the annual shareholders meeting.

Each director or executive officer is expected to manage their personal finances so as to avoid embarrassment personally or to the Company. Directors and executive officers shall submit at least annually a detailed personal financial statement.

VIII. Financial Reporting

Code of Ethics for Principal Executive and Financial Officers

The Company's principal executive and financial officers must abide by a further code of ethics to assure that the Company maintains the highest integrity with respect to the preparation and reporting of financial information related to the Company and to assure full, fair, accurate, timely, and understandable disclosure in Securities and Exchange Commission

reports and other public communications. Accordingly, the following provisions apply to the President/Chief Executive Officer and the Chief Financial Officer of the Company:

1. The Chief Financial Officer of the Company is the primary officer responsible for the complete and accurate financial reporting of the Company. To the best of his or her ability, he or she shall not permit the reporting of any financial information of the Company to parties outside the Company which he or she believes is false or misleading in any material respect. If he or she shall have reason to believe that the Company has reported or may be intending to report any such false or misleading financial information, he or she shall report thereon to the President/Chief Executive Officer. If having done so, he or she believes that appropriate action will not be taken to prevent such reporting, then the matter shall be reported to the Chair of the Audit Committee of the Board of Directors.
2. Neither the President/Chief Executive Officer or the Chief Financial Officer shall, directly or indirectly, through any business entity in which he or she or any of their family members have an interest or otherwise, engage in any transaction with the Company which is required to be reported in, or requires the exercise of any judgment as to whether it is required to be reported in, the financial reports or statements of the Company or which otherwise involves a conflict of interest, except (i) regular compensation, including bonuses, and employee benefits received in their capacities as officers and employees of the Company (ii) transactions in goods and services routinely engaged in by the Company with its unaffiliated clients or customers on terms, subject to customary employee discounts and benefits, generally offered to its unaffiliated clients and customers, (iii) transactions with publicly-held entities in which the officer has less than a one-tenth of one percent equity interest and with respect to which transactions such officers has no decision-making role on behalf of such entity, and (iv) transactions fully disclosed to and approved in advance by the Audit Committee of the Board of Directors. In general, such

officers shall abide by all provisions of this Code requiring ethical and honest conduct and avoidance of conflicts of interest and shall be held accountable for adherence to all such provisions.

3. In the event the Chief Financial Officer shall believe that the Company has engaged or is about to engage in any activity that violates any federal, state or local law, rule or regulation, or this Code, such officer shall report thereon to the President/Chief Executive Officer and, if having done so, such officer believes that appropriate action will not be taken to address the violation or potential violation, then the officer shall report the matter to the Chair of the Audit Committee of the Board of Directors. In the event the President/Chief Executive Officer forms such a belief, such officer shall promptly address the violation or proposed violation and report thereon to the Chair of the Audit Committee of the Board of Directors.

Public Disclosures

As a public company, it is of critical importance that the Company's filings with the Securities and Exchange Commission be accurate and timely. Employees may be called upon to provide information necessary to assure that the Company's public reports are complete, fair, and understandable. The Company expects employees to take this responsibility very seriously and to provide prompt and accurate answers to inquiries related to the Company's public disclosure requirements.

Accounting Complaints

It is the Company's intent that its books, records, accounts and financial statements be maintained in reasonable detail, appropriately reflect Company transactions, and conform to applicable legal and accounting requirements as well as to the Company's own system of internal controls. In addition, Section 301 of the Sarbanes Oxley Act of 2002 and U.S. Securities and Exchange Commission rules require public company audit committees to have in place

procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by Company employees regarding questionable accounting or auditing matters. In accordance with these intentions, laws and requirements the Company and its Audit Committee have adopted the following procedures:

1. Any employee may submit, on a confidential, anonymous basis if the employee so desires, any concerns regarding financial statement disclosures, accounting, internal accounting controls, auditing matters or violations of the Company's Code of Ethics for Principal Executive and Financial Officers. Confidential, anonymous concerns may be submitted via secured e-mail procedures established for that purpose or in writing by sending them in a sealed envelope to "the Audit Committee Chairman pursuant to the "whistleblower policy" adopted by the Audit Committee" in care of the Vice President of Human Resources. Concerns submitted by either of these two methods may be opened only by the chairman of the audit committee. The secured e-mail address established for this purpose, as well as instructions for using it, are provided to all employees when hired and through annual whistleblower education provided by the Company. It can be accessed through the CNB Intranet by clicking on "Resources & References", "Internet Links", "Employee Fraud Login" and following the on screen instructions.
2. Following the receipt of any complaints properly submitted the Audit Committee will investigate each matter and take corrective and disciplinary actions considered necessary or appropriate. Such actions may include reprimand, demotion, suspension or termination.
3. The Audit Committee may enlist employees and/or outside legal, accounting or other advisors, as appropriate, to conduct any investigation of complaints submitted.

4. The Audit Committee will retain as a part of its records any such complaints, as well as resulting investigative, corrective or disciplinary documentation, for a period of no less than seven years.

Publication of the Code of Conduct and Ethics

Under Section 406 of the Sarbanes-Oxley Act, the U.S. Securities and Exchange Commission adopted certain rules (the “Disclosure Rules”) requiring the Company to disclose in its annual SEC filings whether it has adopted a code of ethics for the Senior Financial Officers. Under the Disclosure Rules, the Company is required to either file a copy of its code of ethics as an exhibit to its annual report or post the text of its code of ethics on its Internet web site, provided that the Company discloses its internet address and its intention to provide disclosure in this matter in its annual report or provide an undertaking in its annual report to provide a copy of its code of ethics to any person without charge upon request. In accordance with these rules, it shall be the policy of the Company that the Corporate Secretary should cause the Disclosure Rule to be satisfied by arranging for this Code of Conduct and Ethics to be posted on the Organization’s Internet web site, www.cnbelkins.com, and should cause the Company to disclose its internet address and its intention to provide disclosure in this manner in its annual report to stockholders, beginning with the report for the fiscal year ending December 31, 2003.

IX. Violations of Code and Reporting

A violation of any of the provisions of the Company’s Code of Conduct and Ethics or failure to report a known violation may be cause for disciplinary action, ranging from reprimand to dismissal. Such action is in addition to any criminal or civil liability that might result under applicable laws. Employees must report violations of laws, rules, regulations, or this Code as previously explained in this policy.

No Retaliation

The Company will not permit retaliation of any kind by or on behalf of the Company against employees who make good faith reports or complaints of violations of this Code, including the Code of Ethics for Principal Executive and Financial Officers, or other illegal or unethical conduct.

Monitoring Code Compliance

Each employee is expected to monitor his or her personal compliance with this Code. In addition, every employee shall disclose in writing or by electronic transmission to the Vice President of Human Resources all outside employment and other potential conflicts of interest. An annual reaffirmation of compliance with the Code is required of all employees.

Fidelity Bond Coverage

Every employee must be covered by the Company's fidelity bond. The Company will not continue to employ anyone who ceases to be eligible for coverage unless continuation is approved by the Executive Committee. Coverage under the terms of the fidelity bond ceases for anyone who has committed a dishonest or fraudulent act, including but not limited to the misposting of accounts to favor oneself or another, the kiting of checks, the making of false entries, records, or reports and the deliberate misrouting of checks to delay payment.

Amendments and Waivers to Code

In further compliance with the Disclosure Rules, it shall be the policy of the Company that any change, amendment, waiver, or implicit waiver of this Code of Conduct and Ethics be disclosed pursuant to a filing on Form 8-K (or any successor form), dissemination by the Internet, or other appropriate electronic means within two business days of the event and that such disclosure include a brief description of the amendment or waiver, the name of the person to whom the waiver was granted and the date thereof. The Disclosure Rules define the term

waiver as the approval by the Company of a material departure from a provision of the Code of Conduct. It also defines the term implicit waiver as the Company's failure to take action within a reasonable period of time regarding a material departure from a provision of this Code that has been made known to an executive officer of the Company. All employees must take reasonable and appropriate actions to ensure that all waivers, or implicit waivers about which they have actual knowledge, are communicated to the Vice President of Human Resources so that appropriate action may be taken.